

AN ORDINANCE DESIGNATING AN ECONOMIC DEVELOPMENT TARGET AREA

WHEREAS, the geographic territory bounded by East Walnut Street, Sycamore Street, South New York Avenue and Highway 41 and more specifically described in the legal description attached hereto as Exhibit "A", which Exhibit "A" is incorporated herein as part of this ordinance, has become undesirable or impossible for normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property; and

WHEREAS, the designation of the geographic area described herein as an economic development target area will not exceed the maximum of fifteen percent (15%) of the total area of the City of Evansville to be in economic development target areas; and

WHEREAS, Pursuant to I.C. 6-1.1-12.1-7, the Evansville Economic Development Commission has recommended that the Common Council designate by ordinance the geographic territory described herein as an economic development target area;

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Evansville, Indiana, as follows:

SECTION 1. That after due consideration, the Common Council of the City of Evansville finds that the geographic territory described in Exhibit "A" has become undesirable or impossible for normal development and occupancy because of a lack development, cessation of growth, deterioration of improvements, or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property.

SECTION 2. That pursuant to I.C. 6-1.1-12.1-7, the Evansville Economic Development Commission has recommended that the Common Council designate by ordinance the geographic territory described in Exhibit "A" as an economic development target area.

SECTION 3. The geographic territory described in this ordinance as Exhibit "A" is hereby designated as an economic development target area.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage by the City Council and signing by the Mayor.

FILED

JUN 18 2014

Anna Windness
CITY CLERK

Exhibit A

ATTACHMENT TO APPLICATION FOR ECONOMIC REVITALIZATION AREA DESIGNATION

Part II: General Information on Property: Answers to 1 (Address), 3 (Legal Description) and 4 (Tax Code) (page 2)

1	200 S. New York Ave.	AUBURN 40FT L 1 BL 4 & PTS VAC SYCAMORE ST	09-010-11-008-001
2	202 S. New York Ave.	AUBURN S 10FT L 1 & 22FT L 2 BL 4	09-010-11-008-002
3	208 S. New York Ave.	AUBURN 28FT L 2 BL 4	09-010-11-008-003
4	210 S. New York Ave.	AUBURN 35FT L 3 BL 4	09-010-11-008-004
5	212 S. New York Ave.	AUBURN S 15FT L 3 & N 10FT L 4 BL 4	09-010-11-008-005
6	214 S. New York Ave.	AUBURN PT L4 BL4	09-010-11-008-006
7	216 S. New York Ave.	AUBURN PT L4 L5 BL4	09-010-11-008-007
8	218 S. New York Ave.	AUBURN S 32 1/2FT L 5 BL 4	09-010-11-008-008
9	220 S. New York Ave.	AUBURN N 30FT L 6 BL 4	09-010-11-008-009
10	222 S. New York Ave.	AUBURN S 20FT L 6 & ADJ N 15FT L 7 BL 4	09-010-11-008-010
11	224 S. New York Ave.	AUBURN PT L7 BL4	09-010-11-008-011
12	300 S. New York Ave.	AUBURN PT L8 BL4	09-010-11-008-012
13	302 S. New York Ave.	AUBURN PT L8 PT L9 BL4	09-010-11-008-013
14	306 S. New York Ave.	AUBURN PT L 9 BL 4	09-010-11-008-014
15	308 S. New York Ave.	AUBURN L 10 BL 4	09-010-11-008-015
16	312 S. New York Ave.	AUBURN L11 BL4	09-010-11-008-016
17	201-211 S. Kerth Ave.	AUBURN N L 1 THRU 5 & 1.8FT L 6 BL 15 & PT VAC SYCAMORE ST	09-010-11-008-019
18	213 S. Kerth Ave.	AUBURN PT L6 BL15	09-010-11-008-025
19	215 S. Kerth Ave.	AUBURN PT L6 & PT L7 BL15	09-010-11-008-026
20	217 S. Kerth Ave.	AUBURN PT L7 & PT L8 BL15	09-010-11-008-027
21	219 S. Kerth Ave.	AUBURN 7.1FT L 8 & 27 1/2FT L 9 BL 15	09-010-11-008-028
22	301 S. Kerth Ave.	AUBURN 10 FT LOT 9 & 20 FT LOT 10 BLK 15	09-010-11-008-029
23	305 S. Kerth Ave.	AUBURN PT L 10 & PT L 11 BL 15	09-010-11-008-030
24	307 S. Kerth Ave.	AUBURN PT L11 & PT L12 BL15	09-010-11-008-031
25	311 S. Kerth Ave.	AUBURN PT L12 L13 BL15	09-010-11-008-033
26	218 S. Kerth Ave.	AUBURN L 7 & PT L 8 SUB OF OUTLOT 2 BL 16	09-010-11-016-026
27	220 S. Kerth Ave.	AUBURN L 6 SUB OF OUTLOT 2 BL 16	09-010-11-016-025
28	300 S. Kerth Ave.	AUBURN L 5 SUB OF OUTLOT 2 BL 16	09-010-11-016-024
29	302 S. Kerth Ave.	AUBURN L 4 SUB OF OUTLOT 2 BL 16	09-010-11-016-023
30	304 S. Kerth Ave.	AUBURN L 3 SUB OF OUTLOT 2 BL 16	09-010-11-016-022
31	306 S. Kerth Ave.	AUBURN L 2 SUB OF OUTLOT 2 BL 16	09-010-11-016-021
32	308 S. Kerth Ave.	AUBURN L 1 AUGUST F GEHLHAUSENS OF OUTLOT 2 BL 16	09-010-11-016-020
33	310 S. Kerth Ave.	AUBURN L 20 BL 16	09-010-11-016-019
34	314 S. Kerth Ave.	AUBURN L 19 BL 16	09-010-11-016-018
35	1154 E. Walnut St.	AUBURN PT L15 & PT L16 BL16	09-010-11-016-015
36	309 S. Kerth Ave.	AUBURN 30FT L12 BL15	09-010-11-009-032
37	316 S. New York Ave.	AUBURN PT L12 BL4	09-010-11-008-017
38	1100 E. Walnut St.	AUBURN PT L12 BL4	09-010-11-008-018
39	1116 E. Walnut St.	AUBURN L18 & 7.75FT L17 BL15	09-010-11-008-037
40	1118 E. Walnut St.	AUBURN 11 1/2FT L16 & ADJ 18 1/2FT L17 BL15	09-010-11-008-036
41	1120 E. Walnut St.	AUBURN 19 1/2 FT L15 & PT L16 BL15	09-010-11-008-035
42	1122 E. Walnut St.	AUBURN PT L15 & PT L14 BL15	09-010-11-008-034
43	1150 E. Walnut St.	AUBURN L 18 & ADJ 6.55 FT L17 BL16	09-010-11-016-017
44	1152 E. Walnut St.	AUBURN PT L17 & PT L16 BL16	09-010-11-016-016
45	1156 E. Walnut St.	AUBURN L14 & PT L15 BL16	09-010-11-016-014

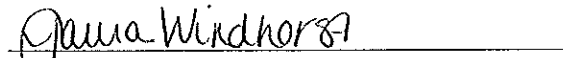
The Common Council of the City of Evansville, Indiana, on the 23 day of June, 2014, on said day signed by the President of the Common Council and attested by the City Clerk.



John Friend, President of the Common Council, City of Evansville, Indiana

ATTEST: Laura Windhorst

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this 24 day of June, 2014, at 3 o'clock p.m. for his consideration and action thereon.



Laura Windhorst, City Clerk
City of Evansville, Indiana

Having examined the foregoing ordinance, I do now, as Mayor of the City of Evansville, Indiana, approve said ordinance and return the same to the City Clerk this 26th day of June, 2014, at 1:00 o'clock p.m.



Lloyd Winnecke, Mayor
City of Evansville, Indiana

APPROVED AS TO FORM
BY TED C. ZIEMER, CORPORATION COUNSEL

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June 18, 2014

To: The Common Council of the City of Evansville

Re: Economic Development Target Area and Designation for Revitalization
New Odyssey Investments, LLC / D-Patrick, Inc.

Honorable Council Members;

The Evansville Economic Development Commission will meet at 4 PM on Monday, June 23, 2014 to review a request for designation of property as an economic target area. As part of this package you will find a two page summary supporting that request. If the commission makes a recommendation for that designation, the attached Ordinance G-2014-13 will come before you for approval.

In parallel, a recommendation for economic revitalization area designation and 10 year tax phase-in on incremental real property taxes is requested with Resolution C-2014-16 (also attached). This supports the move of D-Patrick from its current downtown location in order to make room for the planned medical education and research campus. They would like to construct a new facility in an area of the City's core that has been identified for brownfield redevelopment with demolition of obsolete structures.

If there is any information you require for decision-making that is not contained herein, please let me know.

Sincerely,

Deborah D. Dewey
President
Growth Alliance for greater Evansville, Inc.

FILED
JUN 18 2014
Anna Widhersch
CITY CLERK

2018-18

2018-18



Project: D-Patrick Relocation to the Property Bounded by E. Walnut Street, Sycamore Street, S. New York Avenue, and Highway 41

Benefits: Investment would be made in this area of the Evansville City Core that has become undesirable for normal development and occupancy because of a lack of development, cessation of growth, and deterioration of improvements, age, and substandard buildings.

- This 7 acre area currently consists of 27 rental homes, 17 vacant lots and 6 owner-occupied homes, many of which are assessed by the Vanderburgh County Assessor as being in "Poor" condition and "E" grade.
- It is at the SW corner of the planned cloverleaf construction at the intersection of the Lloyd Expressway and Hwy 41, which will further negatively impact its future as a viable residential area.
- Because of its condition, this area was included in the City's application for consideration to receive funding from Indiana's Hardest Hit Fund – Blight Elimination Program to help demolish blighted properties and stabilize property values.

D-Patrick relocation to this area would **retain 33 existing jobs in the Evansville City Core, coupled with a planned addition of 13 new jobs;** to be made possible with the required investment in the property.

D-Patrick relocation is required to vacate the company's current downtown location so as to **make room for the planned IU School of Medicine** and related medical education and research campus in Downtown Evansville.

The relocation project will consist of a **minimum \$7,000,000 real estate investment** to purchase and develop property currently assessed at a value of \$1,250,000; including razing deteriorated residential structures, and designing and constructing new commercial structures.

The relocation project will increase property value, and retain and add jobs, to provide a **positive economic impact to the City of Evansville totaling over \$6,300,000 per year.**

Consideration: D-Patrick Owners have estimated that incentives valued at approximately \$1,300,000 are required to make this project economically feasible at the proposed location. If this location is not deemed to be economically feasible, other potential sites will be considered, none of which are within Evansville City limits.

The project budget includes \$450,000 for site preparation and demolition. Should the City of Evansville be awarded the grant for the Blight Elimination Program; and should the assignability and scope of the grant be compatible with the project needs; that applicable portion of the grant could be included as part of an incentive package.

The schedule required for vacating the current downtown location in support of the IU medical school construction project is aggressive and does not provide time for prolonged evaluation and purchase negotiations for alternate sites.

Recommendation: Receive a favorable recommendation by the Evansville Economic Development Commission that the specific geographic territory be **designated as an economic development target area** because of its lack of development, cessation of growth, deterioration, etc.; pursuant to Indiana Code 6-1.1-12.1-7.

By local ordinance of the Common Council of the City of Evansville, designate the specific geographic territory as an economic development target area.

By resolution of the Common Council of the City of Evansville, **designate the target area as an Economic Revitalization Area for the purpose of providing a 10 year tax phase-in on incremental real estate property taxes resulting from the investment, i.e. over the current property tax revenues for that 7 acre area. The value of this abatement is estimated to be approximately \$1,000,000.** By year 5 of the 10 year phase-in period, D-Patrick is forecasted to be paying more in annual property taxes than they are currently paying at their Downtown location, even with the abatement, assuming assessed value reflects new investment.

In the event that the Blight Elimination grant is received, and a portion of the grant funds can be used as needed for demolition activities on this property; **the tax abatement incentive will be reduced in value by an amount equal to the applicable grant funds used for demolition of blighted structures on this property.** This would not be an additive incentive to tax abatement.

Summary Prepared 6/18/14 by: Debbie Dewey
Growth Alliance for Greater Evansville, Inc.
debbie@growthallianceevv.com
Phone 812-492-4390



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer New Odyssey Investments, LLC / D-Patrick, Inc.					
Address of taxpayer (number and street, city, state, and ZIP code) 200 North Green River Road, Evansville, Indiana 47715					
Name of contact person		Telephone number ()		E-mail address	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Evansville City Council		County Vanderburgh		Resolution number	
Location of property Evansville		DLGF taxing district number		Estimated start date (month, day, year) 11/01/2014	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) See attached				Estimated completion date (month, day, year) 08/01/2015	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 33.00	Salaries \$54,630.00	Number retained 33.00	Salaries \$54,630.00	Number additional 13.00	Salaries \$47,369.00
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		0.00		1,250,000.00	
Plus estimated values of proposed project		7,000,000.00		5,750,000.00	
Less values of any property being replaced					
Net estimated values upon completion of project		7,000,000.00		7,000,000.00	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) 0.00		Estimated hazardous waste converted (pounds) 0.00			
Other benefits					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 				Date signed (month, day, year) 6/10/14	
Printed name of authorized representative M. J. O'Daniel				Title PRESIDENT	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____.
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by (signature and title of attester)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4-1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



Application for Economic Revitalization Area Designation
and
Phase-In of Property Tax on Real Estate Improvements and New
manufacturing or Research & Development Equipment

Application is for Tax Phase-In on ☒ Real Estate Improvements
☐ New Manufacturing / Research & Development Equipment

Part I: Taxpayer Information

1. Name of Taxpayer Seeking Phase-In

New Odyssey Investments, LLC and D-Patrick, Inc.

2. Street Address of Taxpayer

200 North Green River Road

City

Evansville

State

IN

Zip

47715

3. Name of Person Authorized to Represent Taxpayer in Making Application

Mark Samila, Kahn, Dees, Donovan & Kahn, LLP

4. Street Address of Authorized Representative

501 Main Street, Suite 305

City

Evansville

State

IN

Zip

47708

5. Phone Number of Authorized Representative (812) 423-3183 Fax Number of Authorized Representative (812) 423-3841

6. Provide a brief description of the applicant's business, including company history, product(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification, where applicable. [Attach as "Company Profile"]
See attached.

Part II: General Information on Property

1. Address of Property

See attached.

2. Township in Which Property is Located

Pigeon

3. Legal Description of Property (Attach as "Legal Description")

See attached.

4. Tax Code(s) for Property

See attached.

5. Current Zoning

Combination of M-2, C-4, C0-2 and R-2

6a. How is Property Currently Being Used?

The property is currently being used as a combination of residential homes, residential rental property and vacant lots. There are approximately 27 rental houses, 6 houses owned by the occupants and 17 vacant lots.

6b. What Structures are Currently on the Property?

Approximately 33 Houses.

6c. What is the Condition of the Structure(s)?

The structures were generally built in the early 1900's. Per the Vanderburgh County Assessor, many of the houses are assessed as being in "Poor" condition and assessed at an "E" grade.

Part III: Statutory Requirements

Under IC 6-1.1-12.1, designation of an Economic Revitalization Area requires the city council to find that the proposed area has "become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of the property."

Alternatively, the city council may find that the proposed area includes a facility or a group of facilities that are "technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues."

What evidence can be provided that the project property meets the above statutory requirements?

The Property has become undesirable for normal development and occupancy. At one time the Property consisted of owner occupied homes. The Property has evolved from primarily owner occupied houses to rental properties and vacant lots. Of the approximately 50 tax codes that comprise the property, approximately 17 of the tax codes are vacant lots and approximately 27 of the tax codes are rental property. As a result, 88% of the Property consists of either vacant lots or rental houses. This evidences the fact that there has been a cessation of growth and a lack of development of the Property. In addition, as a larger percentage of the Property has turned to rental houses, the houses have deteriorated. This fact is evidenced by the Vanderburgh County Assessor's classification of the rental houses as primarily of "Poor" condition and "E" grade. The current total assessed value of the Property is approximately \$1,250,000. Cessation of growth is further evidenced by the fact that there have been a number of foreclosures and code violations of the subject Property.

The proposed construction of the commercial building would result in a likely assessed value of \$7,000,000. This development would also help spur additional development of the Walnut Street corridor to downtown and the new medical school.

Part IV: Proposed Project

1. Please Provide a Detailed Description of the Proposed Project

The proposed project is for the construction of an approximately 30,000 square foot facility for the sale and service of Ford and Lincoln vehicles. The cost of the project including land acquisition, is anticipated to be \$7,000,000.00. The project would result in the redevelopment of an approximately 7 acre area at the corner of Walnut and U.S. Highway 41.

2. Will the Project Require Additional Municipal Services or Facilities?

☐ Yes

☒ No

If Yes, Please Explain

3. For Projects Seeking Phase-In for REAL ESTATE IMPROVEMENTS

a. What Physical Changes will be Made to Develop or Rehabilitate the Property?

The existing houses on the Property will be razed. The Property will then be filled and compacted in preparation for construction. A new 30,000 square foot automobile dealership with ancillary parking will be constructed.

b. How Will the Subject Property be Used?

The Subject Property will be used as a Ford and Lincoln automobile dealership.

Total Project Cost for Real Estate Component of Project (\$)

\$7,000,000.00

Attach a detailed project cost estimate (Attach as "Project Cost") including, but not limited to:

Purchase of real estate and improvements

Site preparation

Demolition

Construction of new structures

Rehabilitation of existing structures

Infrastructure improvements

Architecture & engineering fees

Development fees

4. For Projects Seeking Phase-In for **NEW MANUFACTURING / RESEACH & DEVELOPMENT EQUIPMENT**

a. Total Cost of New Manufacturing and Research & Development Equipment (\$)

N/A

Note: Approval of this "Application for Economic Revitalization Area Designation" by the designating body does not guarantee that the equipment listed will qualify as "new manufacturing /research & development equipment". The State Board of Tax Commissioners must approve a taxpayer's "Application for Deduction from Assessed Valuation for New Manufacturing Equipment\Research & Development Equipment In Economic Revitalization Areas" (Form 322 ERA/PP). The State Board of Tax Commissioners is the final authority as to what qualifies as "new manufacturing equipment/research & development equipment", subject to appeals to the Indiana Tax Court.

b. Describe the Productive Use of the Proposed Equipment Acquisitions

N/A

c. Has This New Equipment Ever Been Installed and In Use Elsewhere in the State of Indiana?

☐ Yes

☐ No

d. Date New Manufacturing / Research & Development Equipment is to be Installed

N/A

Note: Equipment installed prior to approval of the Preliminary Resolution establishing the Economic Revitalization Area will not be approved for deduction by the State Board of Tax Commissioners.

e. Will the Proposed Equipment have an Impact on the Environment? (i.e. Waste or Discharge Generated by the Productive Use)

☐ Yes ☐ No

If Yes, attach a detailed explanation. (Attach as "Environmental Impact")

Part V: Project Schedule

Please Provide an Estimated Project Schedule Including (when applicable):

Closing of Purchase

Permitting

Environmental Assessment and/or Remediation Activities

Commencement of Construction

Completion of Construction

Occupancy of Facilities

Purchase and Installation of New Manufacturing Equipment

Other Pertinent Dates, as Appropriate

Environmental Assessment and Remediation

Activities 8/1/2014

Permitting 8/1/2014

Closing of Purchase 9/9/2014

Commencement of Construction 11/1/2014

Completion of Construction 8/1/2015

Occupancy 8/1/2015

Part VI: Employment, Wages & Benefits

1. Provide a 3 Year History of Employment Levels at the Project Location

The following employment levels are for D-Patrick Ford Lincoln at 6th and Walnut:

2011: 30

2012: 33

2013: 33

2014: 36

Current employment by classification is as follows:

Sales consultants: 10

Sales managers: 3

Detail: 4

Technicians: 6

Administrative: 5

Parts: 4

Service advisors: 3

Service and parts manager: 1

2a. How Many New Employees do you Plan to Hire Upon Completion of the Project?

Full Time 33

Part Time 0

2b. How Many New Employees do you Plan to Hire Within 5 Years? (Include those shown in 2a above)

Full Time 46

Part Time 0

3. Identify the Type(s) of Work or Position(s) of the New Employees in #2 Above

Sales consultants (6); Sales Managers (1); Detail (2); Technicians (2); Administrative (2)

4. If Tax Phase-In were not Granted, How Many Current Jobs Would be Lost or Jeopardized?

Full Time 33

Part Time 0

If Any, Please Attach a Supporting Explanation (Attach as "Potential Job Loss")

5. What is the Average Wage Rate for Current Employees?

\$54,630

6. What is the Range of Wage Rates for Current Employees?

\$21,000 to \$121,000

7. What is the Average Wage Rate for Projected New Employees?

\$47,369

8. What is the Range of Wage Rates for Projected New Employees?

\$25,000 to \$71,000

9. Identify the Company Benefits Offered to Employees

Health insurance, dental insurance, life insurance, 401k and 401k employer match, uniforms, training, workers compensation, paid vacation, holiday and anniversary bonuses and gifts, tickets to Ford Center events

10. What is the Value of These Benefits (as a Percentage of Base Pay) approximately 15%

11. Does Taxpayer have an Affirmative Action Plan? ☐ Yes ☒ No

Part VII: Furtherance of Development Objectives

Please identify how the proposed project meets one or more of the following development objectives [attach additional sheets if necessary]:

1. Use of vacant or under-utilized land and/or buildings:

Of the 50 tax codes comprising the Property, 17 of the tax codes are vacant lots and 27 of the tax codes are rental houses. The rental houses on the real estate are generally assessed as being in "Poor" condition and of "E" grade by the Vanderburgh County Assessor. The current total assessed value of the real estate is \$1,250,000. The proposed project would replace the houses and vacant lots with a commercial building that will increase the downtown property tax base.

2. Rehabilitation or replacement of obsolete, deteriorated, vacant or under-utilized buildings:

The houses on the real estate are generally obsolete and deteriorated, having been built in the early 1900's and are generally in "Poor" condition. There are also 17 vacant lots. The proposed project would replace the houses with a commercial building that will significantly increase the property tax base of the area and spur additional development.

3. Retention/expansion of employment opportunities:

The proposed project will allow jobs at the current D-Patrick Ford Lincoln dealership at 6th and Walnut to be retained in the city, as opposed to those jobs moving to the county or to another county. In addition, it is anticipated that over time, the number of jobs will increase.

4. Diversification of the local economy:

5. Improvement of the community's physical appearance:

The proposed project will improve the community's appearance by redeveloping an area that has evolved into primarily rental homes that are deteriorating. The proposed project will also serve as the beginning of commercial development at Highway 41 and Walnut and a gateway to downtown and the new medical school.

6. Preservation of historically or architecturally significant property:

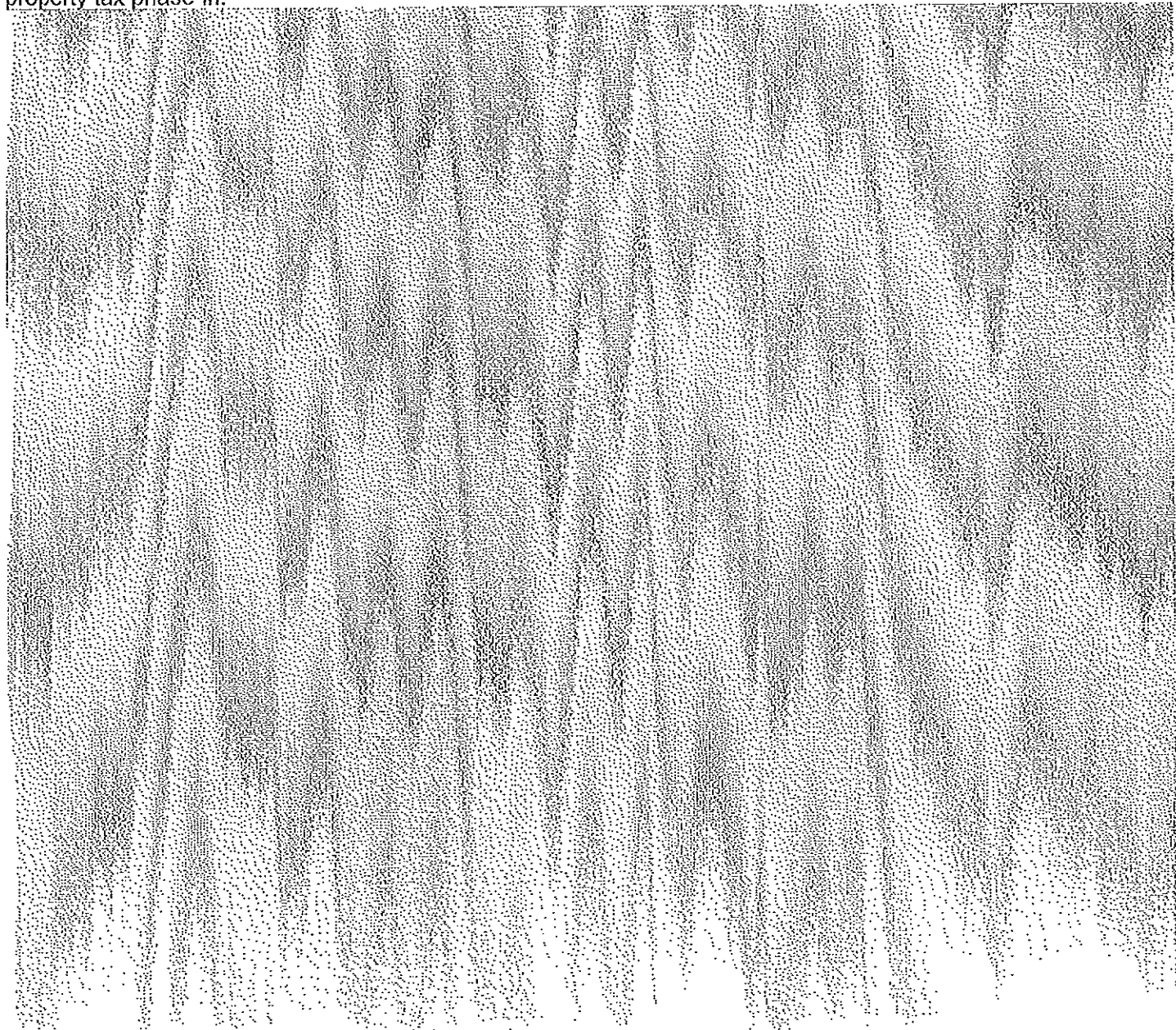
Part VIII: Other Information

1. In what ways has the company contributed to the improvement of the neighborhood or surrounding area, or participated in community activities or programs.

See attached.



2. Please include below, or attach, any additional information that you feel will assist in evaluating this request for property tax phase-in.

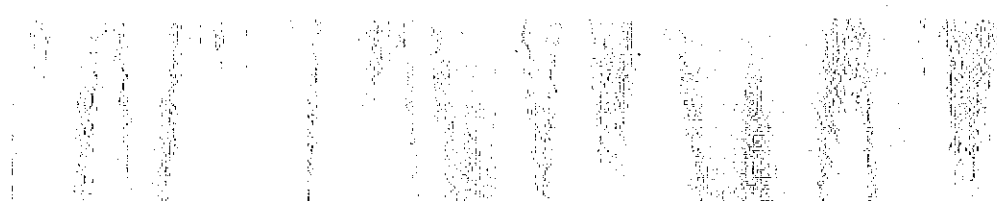


Certifications

I understand that if tax phase-in is granted for this project, that the Applicant will be required to submit a "Compliance With Statement of Benefits" form annually; and

It is my further understanding that if the Applicant should fail to comply with its commitments in job creation, job retention, project investment and/or any other commitments associated with its tax phase-in application, that the designating body has the right, after conducting a public hearing, to terminate said tax phase-in deductions.


I hereby affirm and certify that the information and representations of fact made in this application are true and complete.

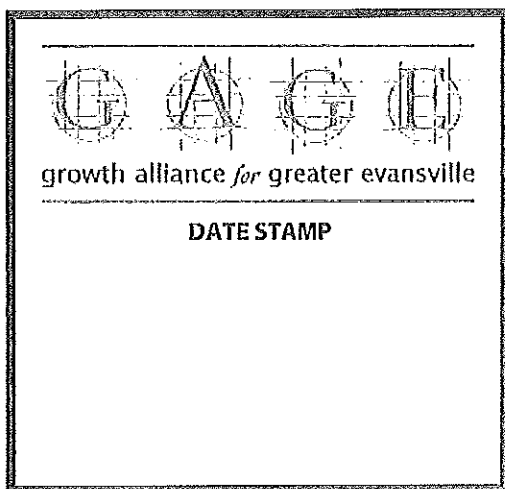
 Title _____
Date _____

Signature of Authorised Representative

For this application to be complete, it must be accompanied by a signed "Statement of Benefits" (State Form 27167) and a check for the appropriate application fee. The check should be made payable to the Growth Alliance for Greater Evansville (GAGE).

Application Fees:

Real Estate Improvements	\$ 500.00	Application fee submitted
New Manufacturing or Research & Development Equipment	\$ 250.00	\$500.00 



**ATTACHMENT TO APPLICATION FOR ECONOMIC
REVITALIZATION AREA DESIGNATION**

Part I: Taxpayer Information: Answers to #6 (page 1)

D-Patrick is one of the largest private employers in Evansville. D-Patrick is the franchised new vehicle sales, mechanical service, original manufacturer parts and collision repair center for Ford, Lincoln, Honda, Nissan, Mercedes-Benz, BMW, Porsche, Audi and Volkswagen. D-Patrick has five manufacturer franchised vehicle sales, service and parts center locations. Ford and Lincoln Downtown, Honda and Nissan on the Division Street Autoplaza, the German vehicle brands on Green River Road and a Ford Dealership in Boonville Indiana. D-Patrick also sells and services pre-owned vehicles at these locations. In addition, D-Patrick has four manufacturer authorized collision repair centers. One collision repair center downtown, two on the East Side and one on the North Side of Evansville.

D-Patrick is a long tenured Evansville company first founded in 1934 by Joseph E. O'Daniel. Many will know the names O'Daniel-Ranes and Key Ford which were the Downtown Dealerships that are now under the name D-Patrick. D. Patrick O'Daniel joined Key Ford in 1964 and began a company growth program that included the acquisition of additional automobile franchises. In 1971 the D-Patrick name was used for the purchase of the Evansville Volkswagen and Mercedes-Benz franchises. Ultimately, all of the Dealerships were renamed D-Patrick. In 1987 son Mike O'Daniel and in 1989 son-in-law Ray Farabaugh joined the company.

Both Mike and Ray completed extensive training including graduation from the National Automobile Dealer Association Dealer Candidate Program. Mike and Ray have successfully filled multiple leadership and management roles in the company. In 1998 Mike and Ray purchased D-Patrick, Inc. from D. Patrick O'Daniel. Mike and Ray have continued the positive growth of D-Patrick. Mike and Ray have also continued the D-Patrick tradition of community involvement and local sponsorships that D-Patrick has always been known for.

The growth of D-Patrick over the last 10 years has been impressive. In 2004, D-Patrick had 195 full time employees and sales of approximately \$128,000,000. In spite of the 2008 economic meltdown, in 2013, D-Patrick had 259 full time employees and sales of approximately \$174,000,000. D-Patrick anticipates this growth to continue and to actively build and renovate its Dealership facilities. D-Patrick focuses on staying on the forefront of technology and the training and retention of their outstanding employees.

New Odyssey Investments, LLC, is a limited liability company owned by Mike O'Daniel and Ray Farabaugh that owns the real estate upon which D-Patrick operates.

**ATTACHMENT TO APPLICATION FOR ECONOMIC
REVITALIZATION AREA DESIGNATION**

Part II: General Information on Property: Answers to 1 (Address), 3 (Legal Description) and 4 (Tax Code) (page 2)

1	200 S. New York Ave.	AUBURN 40FT L 1 BL 4 & PTS VAC SYCAMORE ST	09-010-11-008-001
2	202 S. New York Ave.	AUBURN S 10FT L 1 & 22FT L 2 BL 4	09-010-11-008-002
3	208 S. New York Ave.	AUBURN 28FT L 2 BL 4	09-010-11-008-003
4	210 S. New York Ave.	AUBURN 35FT L 3 BL 4	09-010-11-008-004
5	212 S. New York Ave.	AUBURN S 15FT L 3 & N 10FT L 4 BL 4	09-010-11-008-005
6	214 S. New York Ave.	AUBURN PT L4 BL4	09-010-11-008-006
7	216 S. New York Ave.	AUBURN PT L4 L5 BL4	09-010-11-008-007
8	218 S. New York Ave.	AUBURN S 32 1/2FT L 5 BL 4	09-010-11-008-008
9	220 S. New York Ave.	AUBURN N 30FT L 6 BL 4	09-010-11-008-009
10	222 S. New York Ave.	AUBURN S 20FT L 6 & ADJ N 15FT L 7 BL 4	09-010-11-008-010
11	224 S. New York Ave.	AUBURN PT L7 BL4	09-010-11-008-011
12	300 S. New York Ave.	AUBURN PT L8 BL4	09-010-11-008-012
13	302 S. New York Ave.	AUBURN PT L8 PT L9 BL4	09-010-11-008-013
14	306 S. New York Ave.	AUBURN PT L 9 BL 4	09-010-11-008-014
15	308 S. New York Ave.	AUBURN L 10 BL 4	09-010-11-008-015
16	312 S. New York Ave.	AUBURN L11 BL4	09-010-11-008-016
17	201-211 S. Kerth Ave.	AUBURN N L 1 THRU 5 & 1.8FT L 6 BL 15 & PT VAC SYCAMORE ST	09-010-11-008-019
18	213 S. Kerth Ave.	AUBURN PT L6 BL15	09-010-11-008-025
19	215 S. Kerth Ave.	AUBURN PT L6 & PT L7 BL15	09-010-11-008-026
20	217 S. Kerth Ave.	AUBURN PT L7 & PT L8 BL15	09-010-11-008-027
21	219 S. Kerth Ave.	AUBURN 7.1FT L 8 & 27 1/2FT L 9 BL 15	09-010-11-008-028
22	301 S. Kerth Ave.	AUBURN 10 FT LOT 9 & 20 FT LOT 10 BLK 15	09-010-11-008-029
23	305 S. Kerth Ave.	AUBURN PT L 10 & PT L 11 BL 15	09-010-11-008-030
24	307 S. Kerth Ave.	AUBURN PT L11 & PT L12 BL15	09-010-11-008-031
25	311 S. Kerth Ave.	AUBURN PT L12 L13 BL15	09-010-11-008-033
26	218 S. Kerth Ave.	AUBURN L 7 & PT L 8 SUB OF OUTLOT 2 BL 16	09-010-11-016-026
27	220 S. Kerth Ave.	AUBURN L 6 SUB OF OUTLOT 2 BL 16	09-010-11-016-025
28	300 S. Kerth Ave.	AUBURN L 5 SUB OF OUTLOT 2 BL 16	09-010-11-016-024
29	302 S. Kerth Ave.	AUBURN L 4 SUB OF OUTLOT 2 BL 16	09-010-11-016-023
30	304 S. Kerth Ave.	AUBURN L 3 SUB OF OUTLOT 2 BL 16	09-010-11-016-022
31	306 S. Kerth Ave.	AUBURN L 2 SUB OF OUTLOT 2 BL 16	09-010-11-016-021
32	308 S. Kerth Ave.	AUBURN L 1 AUGUST F GEHLHAUSENS OF OUTLOT 2 BL 16	09-010-11-016-020
33	310 S. Kerth Ave.	AUBURN L 20 BL 16	09-010-11-016-019
34	314 S. Kerth Ave.	AUBURN L 19 BL 16	09-010-11-016-018
35	1154 E. Walnut St.	AUBURN PT L15 & PT L16 BL16	09-010-11-016-015
36	309 S. Kerth Ave.	AUBURN 30FT L12 BL15	09-010-11-009-032
37	316 S. New York Ave.	AUBURN PT L12 BL4	09-010-11-008-017
38	1100 E. Walnut St.	AUBURN PT L12 BL4	09-010-11-008-018
39	1116 E. Walnut St.	AUBURN L18 & 7.75FT L17 BL15	09-010-11-008-037
40	1118 E. Walnut St.	AUBURN 11 ½FT L16 & ADJ 18 ½FT L17 BL15	09-010-11-008-036
41	1120 E. Walnut St.	AUBURN 19 1/2 FT L15 & PT L16 BL15	09-010-11-008-035
42	1122 E. Walnut St.	AUBURN PT L15 & PT L14 BL15	09-010-11-008-034
43	1150 E. Walnut St.	AUBURN L 18 & ADJ 6.55 FT L17 BL16	09-010-11-016-017
44	1152 E. Walnut St.	AUBURN PT L17 & PT L16 BL16	09-010-11-016-016
45	1156 E. Walnut St.	AUBURN L14 & PT L15 BL16	09-010-11-016-014

**ATTACHMENT TO APPLICATION FOR ECONOMIC
REVITALIZATION AREA DESIGNATION**

Part IV: Proposed Project: Answer to #1 (page 4)

PROJECT COST

Purchase of Real Estate and Improvements	\$2,400,000.00
Site Preparation / Demolition	\$450,000.00
Construction of New Structures	\$3,800,000.00
Architecture & Engineering Fees	\$350,000.00

**ATTACHMENT TO APPLICATION FOR ECONOMIC
REVITALIZATION AREA DESIGNATION**

Part VIII: Furtherance of Development Objectives: Answers to #1 (page 8)

D-Patrick is well known in the community for its employee participation and contributions to local organizations. It began with Joseph E. O'Daniel's civic involvement in Evansville, most notably his work on the building of the downtown Civic Center and his leadership in the creation and success of the University of Southern Indiana. This commitment to community continued with Pat and Rosemary O'Daniel and continues today with Mike and Missy O'Daniel and Ray and Mary Ellen Farabaugh. Each has been extremely active on local boards and organizations.

D-Patrick is also known for its great number of sponsorships and contributions which include Evansville Civic Theater, Deaconess and St. Mary's Hospital, Evansville Philharmonic Orchestra, Evansville Museum, Children's Museum of Evansville, Evansville Youth Baseball, Keep Evansville Beautiful, Reitz Home Preservation Society, United Way, University of Southern Indiana, University of Evansville, Evansville Half Marathon, Evansville River Run, Ronald McDonald House, ShrinersFest, Susan Komen Race for the Cure, Easter Seals, Wesselman Woods Nature Preserve, Big Brothers Big Sisters, Junior Achievement, Gilda's House, Better Business Bureau, Chamber of Commerce, YMCA, Red Cross, Boys & Girls Club and numerous contributions and support of Evansville Public and Private Schools.

D-Patrick encourages all employees to be involved in the community. Many of D-Patrick's employees and spouses donate time and resources in a full scope of activities from coaching youth baseball, football and soccer to volunteering in schools and local not for profit organizations.

D-Patrick is committed to downtown as the only remaining automobile Dealership in downtown Evansville. Mike O'Daniel was instrumental in convincing Ford Motor Company to spend considerable funds in the naming of Evansville's new arena "The Ford Center."

City of Evansville / Vanderburgh County Tax Phase-In Application Scoring

-Real Property-

Company Name:

Application Date:

		Points Granted
Investment- (5 points maximum)		
Less than \$1 Million	1 point	3
\$1 Million to \$5 Million	2 points	
\$5,000,001 to \$10 Million	3 points	
\$10,000,001 to \$15 Million	4 points	
\$15 Million +	5 points	
Full-Time employment added or retained (based on project) in 5 years (5 points maximum)		
5 to 20 employees	1 point	3
21 to 40 employees	2 points	
41 to 60 employees	3 points	
61 to 80 employees	4 points	
81 employees +	5 points	
Wage level (5 points maximum)		
Less Than Vanderburgh Co. average wage	1 point	5
≤ 5% Vanderburgh Co. average wage	2 points	
5%-10% Vanderburgh Co. average wage	3 points	
10% - 20% Vanderburgh Co. average wage	4 points	
≥ 20% Vanderburgh Co. average wage	5 points	
<i>The average county wage for 2012 is \$18.08/hr (\$36,606/year) for Vanderburgh County, as determined by the Indiana Department Workforce Development.</i>		
Benefits Package (Ins./Retirement/paid time off/tuition reimbursement) (5 points maximum)		
0% - 3%	1 point	5
4% - 7%	2 points	
8% - 11%	3 points	
12% - 14%	4 points	
15% +	5 points	
Value of benefits is equal to or greater than base pay.		
Use reuse, rehabilitation and/or expansion of an existing facility. (2 points maximum)		2
Targeted Business (1 point maximum)		
		1 - Relocation required for IU med school
Percent of employment that requires at least a 2-yr degree or professional certificate (2 points maximum)		
50%-75%	1 point	1
75%+	2 points	

Total Points: 20

Scoring

<u>Score</u>	<u>Max. Length of Deduction</u>
N/A	1 year
N/A	2 years
2-0	3 years
3-4	4 years
5-7	5 years
8-10	6 years
11-13	7 years
14-16	8 years
17-19	9 years
20+	10 years

Grand Total of Points: 20

Number of Years: 10

The 10 year phase-in is recommended with the following, additional considerations:

- Relocation is required for the IU medical school project. In order to keep this project on schedule, relocation must occur and prolonged evaluation of alternate locations will not support the schedule.*
- While this company is not in a target industry, the relocation is necessary to support the targeted development of a medical education and research campus.*
- The property being considered is an area with declining property values, increased vacancy, and many structures that are assessed as "poor" and grade 'E". It includes a number of structures designated as demolition candidates for brownfield redevelopment.*